VZCZCXRO7705
PP RUEHBC RUEHDE RUEHKUK RUEHROV
DE RUEHMS #1703/01 3521302
ZNR UUUUU ZZH
P 181302Z DEC 06
FM AMEMBASSY MUSCAT
TO RUEHC/SECSTATE WASHDC PRIORITY 7552
INFO RUEHEE/ARAB LEAGUE COLLECTIVE
RUEHLO/AMEMBASSY LONDON 0465
RUEHFR/AMEMBASSY PARIS 0358
RHMFISS/CDR USCENTCOM MACDILL AFB FL

UNCLAS SECTION 01 OF 02 MUSCAT 001703

SIPDIS

SIPDIS

STATE FOR NEA/ARP, NEA/PPD, NEA/PI, AND INR/R/MR STATE PASS USTR FOR N. MOORJANI, J. BUNTIN LONDON FOR TSOU PARIS FOR ZEYA USCENTCOM FOR PLUSH FOREIGN PRESS CENTER FOR SILAS

E.O. 12958: N/A

TAGS: OIIP KPAO KMDR MU

SUBJECT: MEDIA REACTION: BAKER-HAMILTON REPORT, ISRAELI NUCLEAR PROGRAM, CRITICISM OF LOCAL NGO

11. SUMMARY: Government-owned "Oman" hopes that implementing the Baker-Hamilton report can "save" Iraqis; privately owned "Al-Watan" calls on the U.S. and Europe to shoulder their "responsibilities" towards Israel's nuclear program; a surprisingly outspoken editorial in "Al-Watan" calls the Omani Center for Investment Promotion and Export Development (OCIPED) a "burden" on Oman. All dailies highlight Assistant Secretary of State Welch's visit with Sultan Qaboos, and also publish Ambassador Grappo's editorial on U.S. education. END SUMMARY.

COVERAGE

12. On Wednesday, December 13, all Omani dailies carried front page photographs of Assistant Secretary Welch's audience with Sultan Qaboos. Interior pages included pictures of A/S Welch and Ambassador Grappo meeting with General Ali bin Majid al Maamari, Minister of the Royal Office. All dailies also carried Ambassador Grappo's editorial, "U.S. Colleges and Universities: 'Open Doors' for Omani Students."

BLOCK QUOTES: BAKER-HAMILTON CAN "SAVE" IRAQIS

 $\underline{\P}3$. On December 14, state-owned daily "Oman" (circulation 38,000) highlighted the Baker-Hamilton report in "Iraq between Violence and Reconciliation":

"What is happening in Iraq is considered a human catastrophe, one in which hundreds of people fall prey every day to the mad sectarian and political violence that has occurred in the three years since the American invasion. The Baker-Hamilton report on U.S. policy sheds light on the options for the American administration as Iraq continues to deteriorate. Two choices present themselves: continuing division and civil war, or a national reconciliation that can save Iraqis from endless problems that the international community seems unable to solve. Since Baker-Hamilton points out the failures of American policy in Iraq, Washington now has a golden opportunity to get things right with policies that can lead to stability and a lack of violence."

U.S. "RESPONSIBILITIES" ON ISRAELI NUKES

Israel's nuclear program in "Facts to Uncover":

"American and Israeli efforts to stop the nuclear programs of Middle Eastern states are nothing but tactical and strategic maneuvering. Israel recently revealed its nuclear weapons program... Regardless of Israeli motivations, what really matters to Arab states is that all the excuses for supporting Israel's nuclear program are now worthless. The Arabs have a blank check to punish Israel for developing nuclear weapons and for breaking international laws against this. America and Europe waged war on Iraq because of allegations about Iraq's nuclear weapons program. They must now shoulder their responsibilities in facing Israel and its lies."

OCIPED A "BURDEN" ON OMAN

15. In a December 16 editorial entitled "Toward Developing A Center for Investment Promotion, "Al-Watan" went beyond Omani papers' generally constrained tone in relation to domestic affairs, editorializing on the Omani Center for Investment Promotion and Export Development (OCIPED), Oman's official import-export development arm:

"OCIPED was founded to promote investment and develop exports in Oman, yet it has proven unable to carry out its duties. Some of the explanations for this might be that the organization has very limited authority, does not cooperate with other institutions, and commands only meager resources. Centers and institutions like OCIPED are supposed to manage various types of investments. It is important for such organizations to develop investment by increasing their ability to function in a high-quality way, as in other countries. In this current situation, OCIPED is nothing but a burden on the country. The Omani Center for Investment Promotion

MUSCAT 00001703 002 OF 002

and Export Development has an impressive-sounding name, but what does it actually do? This is the question that Omani investors are asking."

GRAPPO